

94TH CONGRESS }  
2d Session }

HOUSE OF REPRESENTATIVES

{ REPORT  
No. 94-1756

ALLOCATION OF BUDGET TOTALS  
TO SUBCOMMITTEES  
FOR FISCAL YEAR 1977

SUBMITTED PURSUANT TO SECTION 302 OF THE  
CONGRESSIONAL BUDGET ACT OF 1974

BY THE

COMMITTEE ON SMALL BUSINESS



OCTOBER 4, 1976.—Committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed

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(II)

## LETTER OF SUBMITTAL

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COMMITTEE ON SMALL BUSINESS,  
*Washington, D.C., October 4, 1976.*

HON. CARL ALBERT,  
*Speaker, House of Representatives, Washington, D.C.*

DEAR MR. SPEAKER: By direction of the Committee on Small Business, I submit herewith the Committee's Report pursuant to Section 302 of the Congressional Budget Act of 1974.

With kindest regards and best wishes, I am

Very sincerely yours,

TOM STEED,  
*Chairman.*

(III)

LETTER OF SUBMITTAL

Committee on Small Business  
Washington, D.C. October 24, 1974

Hon. Carl Albert,  
Speaker, House of Representatives, Washington, D.C.  
Dear Mr. Speaker: By direction of the Committee on Small  
Business, I submit herewith the Committee's report pursuant to  
Section 302 of the Congressional Budget Act of 1974.  
With kindest regards and best wishes, I am,  
Very sincerely yours,

Tom Steyer,  
Chairman

## ALLOCATION OF BUDGET TOTALS TO SUBCOMMITTEES FOR FISCAL YEAR 1977

OCTOBER 4, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STEED of Oklahoma, from the Committee on Small Business submitted the following

### REPORT

#### ALLOCATION OF BUDGET TOTALS TO SUBCOMMITTEES

The Committee on Small Business submits the following report in compliance with section 302(b)(1) of the Congressional Budget Act of 1974.

The Budget Act requires that as soon as practicable after a concurrent resolution on the budget is agreed to, the Committee on Small Business submit to the House a report subdividing among its subcommittees or among programs over which it has jurisdiction the allocation of outlays and budget authority allocated to the committee in the joint explanatory statement accompanying the conference report on such concurrent resolution. The allocation shall be made after consulting with the committee of the other House to which all or part of its allocation was made and shall be further subdivided between uncontrollable and all other amounts.

(1)

## AMOUNTS CONTAINED IN BUDGET RESOLUTIONS

The conference report on the Second Concurrent Resolution on the Budget—Fiscal Year 1977 (H. Report 94-1457) provides total budget authority in the amount of \$451.55 billion of which \$1 million is allocated to the Committee on Small Business. With respect to outlays, the conference agreement provides \$413.1 billion of which \$1 million is allocated to the Committee on Small Business. The amounts of total budget authority and outlays allocated to the Committee on Small Business are distributed by budget functions in the conference report as follows:

## ALLOCATION OF BUDGET TOTALS TO SMALL BUSINESS COMMITTEE

[In millions of dollars]

	Budget authority	Outlays
Small Business Committee (total).....	1	1
Community and regional development.....	1	1

## ALLOCATIONS TO SUBCOMMITTEE

In accordance with amounts allocated to the committee in the joint explanatory statement accompanying the conference report on the Second Concurrent Resolution on the Budget—Fiscal Year 1977, the committee has subdivided budget authority and outlays among its subcommittees as follows:

## SUBCOMMITTEE ALLOCATION

[In millions of dollars]

	Budget authority	Outlays
Small Business Committee (total).....	1	1
Subcommittee on SBA and SBIC legislation.....	1	1

FUNCTIONAL AND CONTROLLABLE AMOUNTS DISTRIBUTION TO  
SUBCOMMITTEES

The amounts allocated to the Subcommittees of the Committee on Small Business under the foregoing heading are further distributed by budget function reflecting the portion "mandatory under existing law" and "other" as follows:

## SBA AND SBIC LEGISLATION

[In millions of dollars]

	Budget authority	Outlays
Community and regional development:		
Mandatory under existing law.....	1	1
Other.....	0	0
Total.....	1	1

## EXPLANATION

Pursuant to the provisions of section 302(c) of the National Housing Act (12 U.S.C. 1717(c)), the Government National Mortgage Association issued and sold beneficial interests or participations in Small Business Obligations Trusts in order to provide capital to SBA for its loan programs. The SBA subjected certain SBA loans to the trusts as security for repayment of the obligations under the participation sales.

Periodically the obligations under the participation sales are retired from money received as repayment of these SBA loans. However, the interest received by SBA on the loans is insufficient to pay the interest on the obligations under the participation sales. Accordingly, the National Housing Act authorizes the appropriation of such sums as may be necessary to enable SBA to pay the association the amount of the insufficiency.

Originally, the obligation under the participation sales was \$1 billion; \$556.1 million has been repaid as of the end of fiscal year 1976; and \$100.7 million is scheduled for repayment during fiscal year 1977 and the \$1 million allocated to the Small Business Committee is to cover the insufficiency on the interest due.

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## EXPLANATION

Pursuant to the provisions of section 302(c) of the National Housing Act (12 U.S.C. 1717(n)), the Government National Mortgage Association (GNMA) has sold beneficial interests in participation in small business obligations. This is in order to provide capital to the small business program. The SBA assigned certain SBA loans to the program as security for repayment of the obligations under the participation program. Historically, the obligations under the participation program were retired from money received as repayment of these SBA loans. However, the interest received by SBA on the loans is insufficient to pay the interest on the obligations under the participation plan. Accordingly, the National Housing Act authorized the appropriation of such sums as may be necessary to enable SBA to pay the obligation the amount of the deficiency.

Originally, the obligation under the participation plan was \$1 billion; \$550.1 million has been repaid as of the end of fiscal year 1976; and \$100.7 million is scheduled for repayment during fiscal year 1977 and the \$1 million allocated to the Small Business Committee is to cover the deficiency on the interest due.